

Housing Authority - County of Los Angeles

July 17, 2009

To: Each Supervisor

From: Sean Rogan, Executive Director



SUBJECT: MONTHLY PROGRESS REPORT ON THE SECTION 8 PROGRAM

Board Directives

On March 13, 2007, your Board instructed the Housing Authority of the County of Los Angeles (HACoLA) to submit monthly progress reports to remove the Section 8 Housing Choice Voucher Program from its troubled status under the Section 8 Management Assessment Program (SEMAP). In addition, HUD requested monthly reports to the Board on the Family Self Sufficiency (FSS) Program in reference to our Corrective Action Plan (CAP) for FY 2006-07. On June 17, 2008, your Board requested progress reports in obtaining Veteran Affairs Supportive Housing (VASH) Program vouchers. Most recently, on April 7, 2009, your Board instructed HACoLA to submit monthly reports on the status of delinquent reexaminations, included herein.

Corrective Action Plan (CAP) for FYE 2008

HACoLA was rated a standard performer for this period, but was required to submit corrective actions items to improve the accuracy and timeliness of annual reexaminations. A Corrective Action Plan was submitted to HUD on June 23, 2009. We expect a response within the next week.

Corrective Action Plan (CAP) for FYE 2007

HACoLA and HUD finalized a CAP that was approved by your Board on December 16, 2008 with thirty-four (34) PHA strategies. Four monthly submissions addressing all 34 strategies have been sent to HUD. In a letter dated May 15, 2009, HUD indicated that 10 strategies remained open. We expect to receive a response on these 10 strategies within the next week.

Once all the strategies are approved, the Section 8 Program will be removed from "Troubled" status rating for FYE 2007.

Reexaminations

On July 7, 2009, HACoLA submitted to the Board recommendations on the annual reexamination process to ensure that future backlogs are not created. I will be requesting Board approval for a supplemental budget to support these recommendations in September 2009.

As of June 30, 2009, the Housing Authority completed 99.76% of the annual reexaminations for fiscal year 2008-2009. The pending reexaminations were comprised of 164 participants in the process of being terminated and 34 senior and/or disabled participants. Staff is making one final attempt to assist these 34 participants with

Each Supervisor

July 17, 2009

Page 2 of 3

completing the reexamination by conducting home visits. As of July 14, 2009, 141 were pending and 107 of these will be terminated.

As of June 30, 2009, the HUD Public Housing Information Center (PIC) reflects 699 delinquent reexaminations out of 18,321 active contracts in the system based on a 14-month cycle. The 18,321 reflect all active contracts in the system, regardless of whether a reexamination is due or not.

For fiscal year 2009-2010, McKay Management Services (MMS) will be completing 1,476 reexaminations for the month of July 2009. As of July 14, 2009, 697 were completed for July, and 510 for the months of August and September. HACoLA staff is preparing 1,680 reexaminations to be completed for the month of October 2009 (see attached report).

OIG Audit on Tenant Eligibility and Annual Reexaminations FY 2005 and 2006

HUD reported that all recommendations related to this audit finding have been satisfactorily closed except for recommendation 1M, repayment of \$1 million. On April 7, 2009, your Board approved the \$1 million three-year repayment agreement and an enabling resolution. One quarterly payment has been made in the amount of \$83,333.33, and another payment will be made by July 30, 2009.

A Board letter and revised resolution will be filed for the Board of Commissioners Agenda on August 4, 2009, requesting approval of a lump sum payment of the remaining balance of \$833,333.34 by August 31, 2009. This action will close out Recommendation 1M of the above stated audit and will have no impact on the County general fund.

HUD OIG Financial Audit for Fiscal Years 2005 and 2006

An OIG financial review began in July 2008, and an audit began in January 2009, for Fiscal Years 2005 and 2006. The OIG final report was issued on April 24, 2009. The report recommended that the Director of HUD's Los Angeles Office of Public Housing (PIH) require HACoLA to repay the Section 8 Program \$2.9 million from nonfederal funds of the \$5 million in over allocations charged to restricted funds.

The HUD field office responded to the final OIG audit report in a letter dated April 29, 2009, recommending that HACoLA repay the Section 8 program \$2,953,443 from nonfederal funds for over allocations that were charged to the Program.

On June 16, 2009, your Board approved the resolution to repay the entire amount. The transfer of \$2,953,443 from the Community Development Commission General Fund to the Section 8 Administrative Reserves fund was completed on June 24, 2009. HUD was advised of said transfer in a letter dated June 25, 2009. HACoLA is awaiting HUD's response to close this item.

Family Self-Sufficiency (FSS) Program Status

The FSS program helps participating voucher families obtain employment that will lead

Each Supervisor

July 17, 2009

Page 3 of 3

to economic independence and self-sufficiency. Per HACoLA's internal Yardi system, assigned slots for the FSS Program are for 730 families because 52 of the original 782 families have graduated from the program. We are not required to replace the 52 families. Our internal reporting rate reflects 446 families enrolled out of 730 (61.1% rate), with 137 families (30.7%) having escrow balances. Escrow accounts are established for families when they earn additional income as a savings to assist them in becoming self-sufficient. Additional earned income is not factored in when calculating their rent contribution. HACoLA is maintaining over a 60% enrollment rate and 30% escrow balances to achieve 8 out of 10 points on this SEMAP indicator. Outreach is being conducted to recruit new Section 8 program participants.

VASH

On June 12, 2009, HUD invited HACoLA to apply for 280 VASH vouchers. HACoLA responded by submitting an application for those vouchers on June 15, 2009. HACoLA received an official award notification on July 2, 2009.

On July 1, 2009, the CDC and HACOLA staff met with Bill Daniels and staff from the Veterans Administration, VASH division, along with Flora Gil Krisiloff, Third District Senior Field Deputy, to discuss the administration of the vouchers for participating cities and unincorporated areas of Los Angeles County.

This was an opportunity to discuss potential referral and administrative procedures for HACOLA; an additional meeting has been scheduled for July 28, 2009, to discuss these issues further.

Section 8 Call Center

The call center averaged 2,393 calls per week and 9,572 total calls for the period of June 10 through July 10, 2009. The average wait time was 2 minutes, 12 seconds.

Los Angeles Housing Resource Center

For a 28-day period between June 9 and July 14, 2009, the Los Angeles Housing Resource Center (Socialserve.com) averaged 9,939 total listings; there were 5,981 landlords who provided property listings, and 119,905 housing searches were conducted.

Please contact me if you have any questions or need additional information.

SR:MB:ML:dt

Attachment

c: Lari Sheehan, Deputy Chief Executive Officer
Sachi A. Hamai, Executive Officer/Clerk Board of Supervisors
Each Deputy



7/14/2009 Housing Choice Voucher Program (Section 8) Annual Recertifications

		Calendar Month	Prior to April	Apr-09	May-09	Jun-09	Jul-09		
McKay Management									
Anniversary Month	Total Due	Pending		Completed					Total Completed
June 09	1,636	91	5.56%	N/A	109	483	911	42	1,545
July 09	1,476	779	52.78%	N/A	10	366	132	189	697
August 09	2,097	1,584	75.54%	N/A		27	273	213	513
September 09	1,521	1,519	99.87%	N/A			1	1	2
Total	6,730	3,973	59.03%	N/A	119	876	1,317	445	2,757

HACOLA

Anniversary Month	Total Due	Pending		Completed					Total Completed
September 08	1,317	2	0.15%	1,249	33	20	13		1,315
October 08	1,366	1	0.07%	1,196	47	58	62	2	1,365
November 08	1,300	7	0.54%	1,176	55	53	6	3	1,293
December 08	1,273	3	0.24%	1,131	24	50	53	12	1,270
January 09	1,196	3	0.25%	952	58	79	97	7	1,193
February 09	1,259	6	0.48%	902	103	94	152	2	1,253
March 09	1,192	9	0.76%	735	202	124	116	6	1,183
April 09	1,459	10	0.69%	606	421	286	124	12	1,449
May 09	2,008	9	0.45%	96	841	700	350	12	1,999
Total	12,370	50	0.40%	8,043	1,784	1,464	973	56	12,320

Grand Total	19,100	4,023		8,043	1,903	2,340	2,290	501	15,077
--------------------	---------------	--------------	--	--------------	--------------	--------------	--------------	------------	---------------

Notes and Descriptions	
1	...
2	...
3	...
4	...
5	...
6	...
7	...
8	...
9	...
10	...
11	...
12	...
13	...
14	...
15	...
16	...
17	...
18	...
19	...
20	...
21	...
22	...
23	...
24	...
25	...
26	...
27	...
28	...
29	...
30	...
31	...
32	...
33	...
34	...
35	...
36	...
37	...
38	...
39	...
40	...
41	...
42	...
43	...
44	...
45	...
46	...
47	...
48	...
49	...
50	...
51	...
52	...
53	...
54	...
55	...
56	...
57	...
58	...
59	...
60	...
61	...
62	...
63	...
64	...
65	...
66	...
67	...
68	...
69	...
70	...
71	...
72	...
73	...
74	...
75	...
76	...
77	...
78	...
79	...
80	...
81	...
82	...
83	...
84	...
85	...
86	...
87	...
88	...
89	...
90	...
91	...
92	...
93	...
94	...
95	...
96	...
97	...
98	...
99	...
100	...

Anniversary Month	The month in which the recertification is due or 12 months from the previous recertification.
Total Due	Total recertifications due as of the date of this report; numbers may change due to terminations and participants moving from one unit to another voiding the need for the recertification.
Pending	The number of recertifications pending completion.
Completed	The number of recertification that have been completed as of the date of this report.
October 09	1,680 recertifications to be completed by HACoLA staff, which are currently in review.